

TEACHERS' FUND FOR RETIREMENT
A Division of ND Retirement and Investment Office
Balance Sheet
As of 10/31/2003

12/4/2003

	As of <u>10-31-03</u>	As of <u>6-30-03</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 522,885,977	\$ 475,417,195
INTERNATIONAL EQUITIES	335,803,012	293,812,409
DOMESTIC FIXED INCOME	161,765,106	150,491,883
INTERNATIONAL FIXED INCOME	55,415,768	52,857,523
REAL ESTATE	115,946,113	109,451,910
VENTURE CAPITAL	54,454,271	52,189,986
INVESTED CASH (NOTE 1)	<u>8,961,281</u>	<u>23,855,378</u>
 TOTAL INVESTMENTS	 1,255,231,528	 1,158,076,284
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	4,670,313	4,588,915
CONTRIBUTIONS RECEIVABLE	4,792,064	6,260,471
MISCELLANEOUS RECEIVABLE	<u>0</u>	<u>41,698</u>
 TOTAL RECEIVABLES	 9,462,377	 10,891,084
 OTHER ASSETS		
OPERATING CASH (NOTE 2)	7,026,728	7,388,155
DUE FROM OTHER AGENCIES (NOTE 3)	<u>0</u>	<u>0</u>
 TOTAL ASSETS	 <u><u>\$ 1,271,720,633</u></u>	 <u><u>\$ 1,176,355,523</u></u>
 LIABILITIES:		
ACCOUNTS PAYABLE	824,067	824,172
ACCRUED EXPENSES	84,644	244,481
DUE TO OTHER AGENCIES (NOTE 4)	<u>29,584</u>	<u>38,392</u>
 TOTAL LIABILITIES	 938,295	 1,107,045
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,175,248,478	1,165,369,565
CASH IN DURING YEAR (NOTE 5)	39,820,000	120,855,000
CASH OUT DURING YEAR (NOTE 6)	43,609,350	120,855,000
NET INCREASE (DECREASE)	<u>99,323,210</u>	<u>9,878,913</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>1,270,782,338</u>	 <u>1,175,248,478</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u><u>\$ 1,271,720,633</u></u>	 <u><u>\$ 1,176,355,523</u></u>

TEACHERS' FUND FOR RETIREMENT
A Division of ND Retirement and Investment Office
Profit and Loss Statement
For the Month Ended 10/31/2003

12/4/2003

	Month Ended <u>10-31-03</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 3,726,362	\$ 12,594,912
SECURITIES LENDING INCOME	49,797	218,332
	<u>3,776,159</u>	<u>12,813,244</u>
GAIN ON SALE OF INVESTMENTS	12,568,062	53,645,846
LOSS ON SALE OF INVESTMENTS	<u>5,600,626</u>	<u>39,981,116</u>
NET GAINS (LOSSES) INVESTMENTS	6,967,436	13,664,730
INVESTMENT EXPENSES	0	995,892
SECURITIES LENDING EXPENSES	36,411	143,532
SIB ADMINISTRATIVE EXPENSES	<u>10,757</u>	<u>40,412</u>
NET INVESTMENT INCOME	10,696,427	25,298,138
NET APPREC (DEPREC) MARKET VALUE	46,786,625	86,280,205
MISCELLANEOUS INCOME/(EXPENSE)	<u>(28,495)</u>	<u>84,237</u>
TOTAL INVESTMENT INCOME	57,454,557	111,662,580
CONTRIBUTIONS & ASSESSMENTS (NOTE 7)	5,070,706	12,384,146
PURCHASED SERVICE CREDIT (NOTE 8)	358,492	2,003,696
PENALTY & INTEREST (NOTE 9)	<u>6</u>	<u>262</u>
TOTAL ADDITIONS	<u>62,883,761</u>	<u>126,050,684</u>
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 10)	6,441,688	25,623,455
REFUNDS TO MEMBER (NOTE 11)	<u>221,188</u>	<u>765,102</u>
TOTAL BENEFITS PAID	6,662,876	26,388,557
ADMINISTRATIVE EXPENSES		
RIO ADMINISTRATIVE CHARGE	82,916	338,917
MISCELLANEOUS EXPENSES	<u>0</u>	<u>0</u>
TOTAL ADMINISTRATIVE EXPENSES	<u>82,916</u>	<u>338,917</u>
TOTAL DEDUCTIONS	<u>6,745,792</u>	<u>26,727,474</u>
NET INCREASE (DECREASE)	<u><u>\$ 56,137,969</u></u>	<u><u>\$ 99,323,210</u></u>

TEACHERS' FUND FOR RETIREMENT
Notes To Financial Statements
October 31, 2003

12/4/2003

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 INVESTED CASH

Pension Cash Pool invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 2 OPERATING CASH

TFFR money market and checking accounts at the Bank of North Dakota.

NOTE 3 DUE FROM OTHER AGENCIES

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4 DUE TO OTHER AGENCIES

Amounts owed to RIO for administrative and direct costs charged.

NOTE 5 CASH IN DURING YEAR

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 6 CASH OUT DURING YEAR

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 7 CONTRIBUTIONS & ASSESSMENTS

Assessments on teachers' salaries of 7.75 percent of salary plus a matching contribution paid by the employer unit, for a total contribution and assessment of 15.5 percent that must be remitted monthly.

NOTE 8 PURCHASED SERVICE CREDIT

Payments received on the purchase of service credit for TFFR as allowed by the North Dakota Century Code.

TEACHERS' FUND FOR RETIREMENT
Notes to Financial Statements
10/31/2003

12/4/2003

NOTE 9

PENALTY & INTEREST

Amounts charged to school districts for late payment or reporting of contributions and assessments.

NOTE 10

BENEFITS PAID TO PARTICIPANTS

Monthly annuity benefits paid to retired teachers on the first of each month.

NOTE 11

REFUND TO MEMBERS

Refunds of teachers' accounts who have ceased teaching in North Dakota.